

HOUSE BILL 336

By Brooks K

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 8, Part 1, relative to gift tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-8-102, is amended by deleting the section in its entirety and by substituting instead the following:

67-8-102. For purposes of this part, "donee" means any person, association, corporation, or any other entity to whom a gift is made.

SECTION 2. Tennessee Code Annotated, Section 67-8-104, is amended by deleting subsection (a) in its entirety and by substituting instead the following:

(a) Net gifts to any donee not exceeding the federal inflation adjusted exclusion amount provided in 26 U.S.C. § 2503(b) shall not be taxable under this part. When net gifts to any one (1) donee exceed such amount during a calendar year, only the portion of the net gifts exceeding such amount shall be taxable under this part.

SECTION 3. Tennessee Code Annotated, Section 67-8-106, is amended by deleting the section in its entirety and by substituting instead the following:

67-8-106. The tax imposed by this part shall be computed at the following rates:

(1) Five and one-half percent (5.5%) on the amount of net taxable gifts up to forty thousand dollars (\$40,000);

(2) Six and one-half percent (6.5%) on the next two hundred thousand dollars (\$200,000) or part thereof;

(3) Seven and one-half percent (7.5%) on the next two hundred thousand dollars (\$200,000) or part thereof; and

(4) Nine and one-half percent (9.5%) on the excess over four hundred forty thousand dollars (\$440,000).

SECTION 4. This act shall take effect January 1, 2012, the public welfare requiring it.